

REPORT OF THE COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

April 14, 2004

The Honorable,
The Board of Commissioners of Cook County

ATTENDANCE

Present: Chairman Collins, Vice Chairman Goslin, Commissioners Gorman, Maldonado, Murphy and Quigley (6)

Absent: Commissioners Hansen and Murphy (2)

Also Present: Robert E. Welsh, Madigan & Getzendanner; Gwendolyn Clemons, Director, Department of Planning and Development

Ladies and Gentlemen:

Your Committee on Business and Economic Development of the Board of Commissioners of Cook County met pursuant to notice on Wednesday, April 14, 2004 at the hour of 11:30 AM in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois.

Your Committee has considered the following item and upon adoption of this report, the recommendations are as follows:

265007 DEPARTMENT OF PLANNING AND DEVELOPMENT, by Gwendolyn D. Clemons, Director, transmitting a Communication, dated March 24, 2004:

Re: Four Seasons Realty Holdings, LLC
Resolution Approving Class 6b Special Exception to Abandonment

respectfully submitting this Resolution regarding the Company's application for Class 6b property tax incentive for your consideration.

Four Seasons Realty Holdings, LLC requests approval of the special exception to the 24 month abandonment rule under the Class 6b Ordinance. This Resolution is required so that the company can complete its application to the Assessor of Cook County within the ninety (90) day period from purchase on January 29, 2004.

Submitting the company application for Class 6b, the Resolution of the Village of Bridgeview and a Department of Planning and Development staff report for your information.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b which provides an applicant a reduction in the assessment level for an industrial facility; and

WHEREAS, the County Board of Commissioners has received and reviewed an application from Four Seasons Realty Holdings, LLC and the Resolution from Bridgeview for an abandoned industrial facility located at 9934 South 76th Avenue, Bridgeview, Cook County, Illinois, Property Index Number 23-12-400-028-0000; and

WHEREAS, Class 6b requires the validation by the County Board of the shortened period of qualifying abandonment in cases where the industrial facility has been abandoned for less than 24 consecutive months upon purchase; and

WHEREAS, the Cook County Board of Commissioners has determined that the building was abandoned for five months at the time of purchase and that special circumstances are present.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, State of Illinois, that the President and Board of Commissioners indicate their approval for the filing of an application for a Cook County Real Estate Classification 6b abatement incentive to the company for an abandoned industrial facility located at 9934 South 76th Avenue, Bridgeview, Cook County, Illinois, under the provision for abandonment of less than 24 months; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized and directed to forward a certified copy of this Resolution to the Office of the Cook County Assessor.

Chairman Collins noted that there were a number of 6bs that were not being considered today because the parties had not been notified.

Commissioner Maldonado asked whether there was any information regarding the type of business and whether it is going to be relocating or starting from scratch at this location.

Robert E. Welsh, Madigan & Getzendanner, identified himself as the representative of the applicants, Four Seasons Heating, Ventilating and Cooling. He explained that they fabricate heating and cooling equipment, and wholesale distribute these items throughout the Chicagoland area. He further explained that they are currently located in Bedford Park, IL; they looked at a number of locations within and outside Cook County, and have decided to relocate in Bridgeview.

Commissioner Maldonado asked how many employees the firm has.

Mr. Welsh responded that they employ 160, and anticipate adding 10 permanent and approximately 10 part-time employees after the move.

Commissioner Maldonado asked whether the existing employees have been given the opportunity to move with the firm at the same rate of pay.

Mr. Welsh responded in the affirmative.

Commissioner Maldonado explained the reason for his question: An industrial laundry company was moving into an incorporated area of Mt. Prospect. They went to the Assessor's Office to apply for a tax break. Just before they moved they terminated 40 employees. They informed these employees that if they wanted to re-apply as new employees, at \$5.50 per hour, they were welcome to, and that this was the only way they would be rehired. More than half of these people had been working for the company for over 20 years. Commissioner Maldonado decried that fact that this company received a tax break of \$1.75 million, and voiced the hope that perhaps the ordinance could be amended to close this type of loop hole. Commissioner Maldonado clarified that if the request for exemption is in an incorporated area, the applicant does not have to come before the County Board, but applies directly through the Assessor's Office.

Chairman Collins voiced her commitment to closing this loop hole through an amendment at the next meeting. She also noted that in the next meeting she would have a progress report on the 6bs that had been awarded.

Commissioner Maldonado stated that he would draft the amendment.

Gwendolyn Clemons, Director, Department of Planning and Development, noted that there are staffing and processing issues in the Assessor's Office that must be taken into consideration in the drafting of an amendment.

Chairman Collins noted that the fiscal affairs of the County are not the business of the Assessor's Office but rather that of the County Board's.

Commissioner Maldonado stated that all applications for 6bs go through the Assessors Office, even if they come to the Board first, and that the Assessor's Office does not have any authority to block the applications which involve a situation like the one mentioned earlier.

Chairman Collins asked whether most of the 160 employees live in Cook County and whether there would be 10 new full-time and 10 new part-time positions added.

Mr. Welsh responded in the affirmative.

Ms. Duncan stated, regarding the 6b abandonment issue, that she hoped any amendment would address the 90-day turnaround period, so that the Board would have enough time to review applications before their expiration date.

Commissioner Gorman voiced her concern that "mom & pop" businesses should benefit from the 6b program.

Commissioner Maldonado noted that there are falsifications that take place, where the entities who say they live above their businesses do not in fact live there.

Chairman Collins noted that there are three 6b applications to be reviewed in the next meeting.

Commissioner Goslin stated, referring to the "mom and pop" tax situations, that there are several tiers of taxation, specifically, one tier applies to people who lived above their business, and another tier applies to people who do not live above their business, but who have tenants there. Commissioner Goslin noted that he thought some of the fraud occurs when people claimed to belong to one tier when they really belong to another.

